

APPROPRIATION LAW COURSE

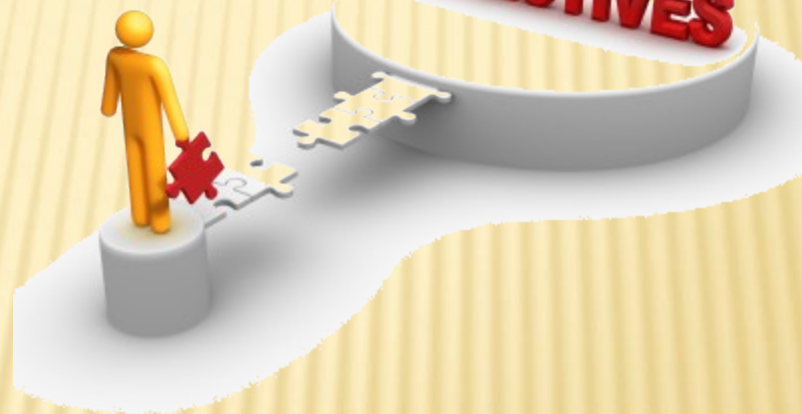
ALC 0103

Rev 4/13

OVERVIEW

- Preventing Violations
- Combating Fraud, Waste, and Abuse
- Fraud Cases

LEARNING OBJECTIVES



PREVENTING ADA VIOLATIONS

- Training
- Manager's Internal Control Program
- Research
- Situational awareness (proactive approach)
 - Monitor commonly abused areas
 - Key fund control personnel
- Outside Guidance



PREVENTING VIOLATIONS

- Training
 - Increases awareness
 - Identifies process
 - Understand the “big picture”



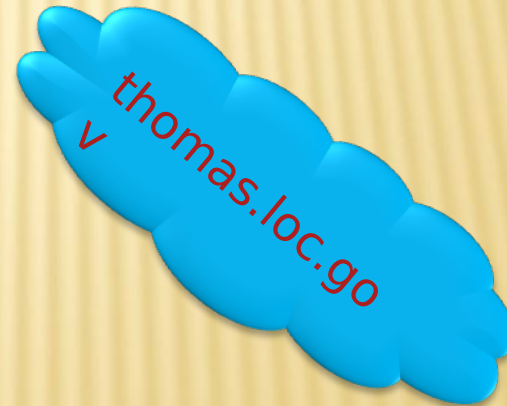
PREVENTING VIOLATIONS

- Manager's Internal Control Program
 - Prevent or detect significant weaknesses
 - Effective and efficient use of resources
- Ensure that consideration is given to ADA violations when establishing internal controls

MCO 5200.24D

PREVENTING VIOLATIONS

- Research
 - GAO Website
 - Database of Violations
 - Decisions and Opinions
 - Library of Congress
 - Appropriations Acts
 - Authorization Acts
 - Other legislation



SITUATIONAL AWARENESS

- Obligational consequences of contracts
- Monitor purchase card use
- Question abnormal transactions
- Seek guidance as necessary
 - Fiscal
 - Contracting
 - Legal



FRAUD, WASTE, AND ABUSE

- Fraud

“To conspire to defraud the United States means primarily to cheat the government out of property or money, but it also means to interfere with or obstruct one of its lawful governmental functions by deceit, craft or trickery, or at least by means that are dishonest.”

Hammerschmidt v. United States

265 U.S. 182 (1924)

FRAUD, WASTE, AND ABUSE

- Modern military operations increase risk...
 - Logistical Support is outsourced
 - Austere Environment
 - More funds available, more opportunity for issues
 - More people able to obligate the Gov't



FRAUD, WASTE, AND ABUSE

- Why is Eradicating Fraud so Important?
 - Mission Readiness
 - Safety (defective parts)
 - Taxpayer's Money
 - Public Confidence
 - Potential ADA Violations





ETHICAL BEHAVIOR

- Foster an environment that encourages
 - Doing the right thing
 - Sharing knowledge and experiences
 - Knowing the standards of ethical behavior
 - ACTING on ethical breaches



RECOGNIZE THE RESPONSIBILITY

- Pecuniary Liability
 - Disbursing Officer
 - Payments not in accordance with certified vouchers received
 - Errors in their accounts
 - Certifying Officer
 - Payments resulting from improper certifications



RECOGNIZE THE RESPONSIBILITY

- Presumption of Negligence
 - Automatically pecuniary liable if fiscal irregularity
- Fiscal Irregularity
 - Physical loss of
 - Cash
 - Vouchers
 - Negotiable Instruments
 - Supporting Documentation
 - Erroneous payments





FRAUD CASE STUDY



DEMONSTRATION



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